

Opening Statement of the Honorable Fred Upton
Subcommittee on Energy and Power
Hearing on “The Energy Policy and Conservation Act of 1975: Are We Positioning
America for Success in an Era of Energy Abundance?”
December 11, 2014

(As Prepared for Delivery)

As chairman of this committee, I take seriously our obligation to review existing laws as well as consider new legislation. We need to periodically look at the energy laws already on the books to see if they still make sense for the American people in the innovation era. Today, we are taking a look at the landmark Energy Policy and Conservation Act of 1975 (EPCA) in light of the current energy picture and our game-changing abundance.

The landscape in the 1970s was much different, especially with regards to energy. It was a time of Arab oil embargoes, long lines at gas stations, and the overriding fear that America was quickly running out of energy. That’s the historical context of EPCA, and it explains many of its provisions.

But today, concerns about energy scarcity have given way to a welcome reality of energy abundance. American oil and natural gas production has been on the rise for nearly a decade, and we still have a way to go. This energy boom has sharply reduced our dependence on foreign oil, created many jobs, and brought down energy prices for consumers and businesses.

Increased domestic energy production is great news, but it does present a host of new challenges. Most significantly, we need to construct an Architecture of Abundance to make full use of this energy bounty and maximize the benefits we can get from it. That means we must take steps to upgrade and modernize the energy infrastructure system, including the Keystone XL Pipeline as well as many other job-creating projects to transport America’s energy to the businesses and consumers who need it. We will continue to reconsider existing energy laws and advance new ones in order to fulfill our energy potential.

For example, this subcommittee has devoted a great deal of time to the issue of natural gas exports. After extensive analysis and numerous hearings, we concluded that natural gas exports would be a net jobs creator while also providing substantial geopolitical benefits. As a result, we passed legislation to expedite the approval of LNG export facilities, which we consider to be an important component of the Architecture of Abundance.

We will continue the fight for LNG exports, but today we initiate the process of asking similar questions about oil exports, which are currently restricted under the 1975 law. We fully recognize that oil is not the same as natural gas, both as a commodity and in its impact on consumers, and thus the conclusions we draw about oil exports may or may not be the same as those for natural gas exports. But the time is ripe to commence a thoughtful dialogue.

We will be interested in a wide range of perspectives — including the economic and geopolitical implications — but the perspective that matters the most is the impact on American consumers. These are complex issues, and we will take the time to hear from all sides.

This hearing is the beginning of our review of the four decades old oil export restrictions included in the Energy Policy and Conservation Act, and it is focused on a look back in order to better understand how we got where we are today as we seek to determine the proper role exports should play in our nation’s energy future.

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